

December, 1960

the Canadian

Realtor



Excerpts from Residential Panel..... page 4

We will buy, as principals, well located income producing real estate throughout Canada

Agents' commissions protected

TANKOOS YARMON

LIMITED

Realty Investments

320 Bay Street, Toronto, Ontario EM 3-5086

635 Dorchester Street West, Montreal, Quebec UN 8-2891

SHORT TERM FINANCING

CANADIAN CAMDEX

INVESTMENTS LTD.

Francis A. Black, GEN. MGR.

159 Bay St., Toronto • EMpire 3-5384

FINDERS' FEES PROTECTED



When
you
think
about
it

RESULTS
do count first

TORONTO DAILY STAR

IT'S SO
EASY TO DIAL

EM 8-3611

FOR BETTER
RESULTS

The Canadian Realtor is the official organ of real estate in Canada. It is published monthly for the Canadian Association of Real Estate Boards.



OFFICERS

President

JAMES A. LOWDEN - - - Montreal

Vice-Presidents

HERBERT R. FULLERTON Vancouver
BERT KATZ - - - - - Ottawa

Regional Vice-Presidents

E. H. JACKSON - - Calgary, Alberta
MAURICE KLINKHAMER - - Cranbrook, B.C.
R. C. AITKENS - - Boissevain, Man.
GORDON PAGE - - Moncton, N.B.
C. F. WHYNACHT - - Halifax, N.S.
C. W. ROGERS - - - Toronto, Ont.
MARCEL R. AUDETTE - Montreal, Quebec
JACK S. WALKER - - Regina, Sask.

EDITORIAL COMMITTEE

Arthur Dedman
George Calladine
Harold Hare
Garth Webb

HEAD OFFICE

109 Merton Street, Toronto 7
H. W. FOLLOWS - Executive Secretary
KEITH TEETZEL - Asst. Secretary

MANAGING EDITOR

Wes Mitchell

★ *"It is well for a man to respect his own vocation, whatever it is, and to think himself bound to uphold it and to claim for it the respect it deserves."* — Charles Dickens.

★ *In the Editor's opinion—*

BUILDING SOCIETIES NEEDED

★ A C.A.R.E.B. resolution calling for an investigation into, and the formation of building societies in Canada is commendable and will be greeted with wide interest when members of C.A.R.E.B. are given enough evidence to show the need for such societies.

★ That building societies are fulfilling a colossal role in financing residential construction in both England and the U.S.A. is attested by the amount of money currently invested. In the U.S.A. about \$50 billions in saving and loan association funds have been placed since the formation of such associations in 1933. That year, the incumbent President, Herbert Hoover presented a bill to congress which passed with flying colours.

★ Building societies in England have been organized since 1776 and that country now has some \$8 billions invested in this type of financing.

★ To understand a building society and its need by the various publics, an examination into the workings of such societies should be made.

★ In Canada, a newly formed company called Chelsea Building & Investments Ltd. (not associated with the Chelsea firm in England) operates in this manner:

★ A person becomes a member immediately he signs a commitment to invest so much per month into the society, and automatically becomes a shareholder with one vote. By law, principals (officers) may also have only one vote each.

Continued on page 17

★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Vol. 6

December, 1960

No. 12

INDEX

Excerpts from Resid. Panel	4	Co-op Statistics	19
Shopping Centres Develop	6	B.C. News	20
Legal	8	Coast to Coast	21
C.A.R.E.B.'s Past & Future	10	Ontario News	22
Pictorial Display	14	B.C. Diploma Students	24
Monthly Co-op Review	18	Person to Person	26

THE CANADIAN REALTOR is published monthly by the Canadian Association Real Estate Boards, 109 Merton Street, Toronto 7, Ontario, Telephone HUDson 1-5191.

Subscription rates: Canada, British Possessions and the United States of America—\$5.00 a year. Authorized as second class mail, Post Office Department, Ottawa.

EXCERPTS FROM A —

RESIDENTIAL PANEL

Eight broker-salesmanager residential sales specialists gave the following views at C.A.R.E.B.'s Toronto convention.

"SOURCES OF LISTINGS"

J. J. O'Connor

Mr. O'Connor claims that 50% of all callers on a house for sale also have a house for sale. Take advantage of this as a good source for listings.

— If you erect a sign on the property you should expect concrete calls from customers. They must have been interested or they wouldn't have called.

— Advertise in the "Homes Wanted" section of your classified section the next time you have a good buyer. Try an ad worded similar to the following: "Have a client with all cash (or substantial downpayment) who wishes a certain style house in a certain neighbourhood." These ads do pull.

— Place a sold sign on a property immediately you sell it. This is mute evidence that your firm is actively at work in the neighbourhood.

— Our office sends a letter to 60 to 75 residents in the immediate area when we receive a listing. We ask them if they have a friend, relative or acquaintance who is seeking to live in the district. Sometimes these letters pull in other listings.

— When you list a home, take the direct approach. Don't ask the vendor what he expects for his house. Tell him. This approach is much better than hedging or showing indecision.

— Rely more on personal connections. Approach your friends, acquaintances and as many others as you can when you get a listing.

— Pay particular attention to deferred clients. These people, having been recommended to you by other satisfied customers, are already half-sold.

— Join clubs and organizations. Many valuable leads come from these associations.

— Contact private ads that you notice in the newspaper or on signs in front of the listings. You just might happen to walk into a listing where the vendor has become fed up with trying to sell his home privately.

"PRICING THE LISTING"

Art Dedman

— A poor house in a good location usually sells faster than a good house in a poor location. Some homes in



demand areas can be listed at a slight premium because buyers are less likely to haggle.

— If you have listed a poor house, you must give plenty of service. Investigate the financing that completed the sale for other homes in the area. Know what other properties sold for in that area.

— Try to quell the vendor's natural judgment of sentimental value rather than real value by pointing out the going price on homes of a like calibre.

— Absorb the zoning regulations in the area where you concentrate your business activities. Often new zoning regulations will change from residential to multiple to commercial. This knowledge sometimes allows you to put across a good deal.

— Note various developments in the district. Perhaps a shopping centre, school, university, through-ways or new transportation facilities will be slated which could add to the attractiveness of the property being sold.

— Turn down any listing that is overpriced if you cannot get an exclusive or co-op for a period sixty days or more. By accepting an over-priced property on a 60-day or over exclusive you give yourself time to influence the vendor.

— Refinancing is extremely important. Study this and learn the many ways that are available for refinancing a property. Many brokers have turned a seemingly hopeless deal into something quite lucrative because they knew the ins and outs of financing and re-financing. Sometimes it pays to work on the vendor. He may have indicated earlier that he didn't want to take a mortgage on his own property. If you outline the attractiveness of the solid investment that he could have in his present home, he just might decide in favour.

"HOW TO GET A LISTING SIGNED AND HOW TO PREPARE A HOUSE FOR SHOWING"

Gerald Black

— Make positive remarks when you talk to the vendor prior to asking him for an exclusive or co-op listing. If you ask him what he wants you'll get some outlandish figures. Tell him what he should expect. If you are confident of your market . . . know your area intimately, he will more than likely respect your judgment.

— One of the big faults displayed by most salesmen is that they are reluctant to ask for an exclusive or co-op listing with more than a 60-day term.

— Go over the listing agreement point by point with the vendor. Explain what each statement means. Show him that the document is open and above board. When he asks questions be positive. And, while he is talking, and you feel the time is right, take your pen out of your pocket. Give him the feeling that by this action, you expect him to sign the exclusive or co-op.

— Try to avoid the word "sign". It is a command word that arouses unpleasant connotations on occasion.

— Now, while the vendor is signing the document, remain silent. After you have witnessed his signature, say to him, quite business-like that you now wish to put a sign on his property. You might say "I know that you and Mrs. Jones will co-operate fully with us during our efforts to sell your property. We received a recent listing from folks on the next street who wouldn't allow us to put a sign up, and this put an obstacle in the way of selling it."

— Stay away from small talk as much as possible. Never ask elderly persons "how they are". This question releases a gush of words that distracts and wastes time.

— Try to stay away from a home during meal hours. This gives the housewife a chance to make the house presentable.

— Warn the vendor to stay away from your party while you are showing a house. Tell him or her that it places an unnecessary burden on your sales effort.

— Avoid making pointless remarks like "This is the kitchen" or "this is the bathroom". These observations do not help you in any way."

"ADJUSTING PRICE TO MARKET VALUE"

Roy Bateman

— Work on the vendor to get his confidence. Be firm and aggressive, honest and sincere. If you tell the truth you'll never have to worry about what you have said.

— If the vendor says that his house is worth more than you have indicated, tell him that a person could buy a new home, near schools, shopping centre and various other amenities for that price. Tell him that his price is beyond the going price for homes of similar style, age and in similar districts.

— Tell the vendor that he must offer honest value if he wishes to beat his competition. Failure to sell his property will be his fault. Use clippings from the newspaper to show him what other similar homes are selling for in his area.

— Set up your listing the best way possible, with down-payment on par with district. Examine the mortgage setup to devise ways of refinancing if necessary. Don't ever overlook the possibility of the vendor taking back a mortgage in order to close the deal.

— remember, you can always use the catch phrase: "In 1960 you must sell for less, but you can buy for less."

"SOURCE OF PURCHASERS"

Paul Martel

— Our company mails out "Choose Your Neighbour" cards once we receive a listing. We circulate the district surrounding the new listing and this usually results in good response. The card requests leads from the recipient.

— A salesman who operates efficiently will go over his list of prospects immediately he spots a new listing. This same man will not screen his buyers too carefully. Quite often a buyer has changed his mind about what he wants since the last time you had him out on inspection. After a buyer has looked around for a few weeks he is usually "softened up."

— Old timers sometimes seek new environment. Don't overlook this, even with those who seem comfortably settled.

— Note the size of certain families: your friends, acquaintances and business contacts. If the family has increased this could indicate that the parents intend to seek larger accommodations.

— Make as many contacts as you can. If you contact at least six people in a day, that totals 30 in a week and over 100 in a month. Somewhere down the line these contacts will pay off.

— Don't wait around for calls. Sitting won't create sales. Get away from your desk and make contacts. Work diligently and positively and you will be rewarded.

"APPOINTMENTS TO SHOW"

Ross Barrett

— If a call comes in from a sign, ask the buyer why he called. What he liked about the home. Ask him rather than tell him. You will extract all the positive reasons why he inquired. It will cement his liking for the property.

— If the call comes in from an advertisement, new tactics are needed, but once again, during the conversation ask the buyer what appealed to him. Get them interested but don't mention all the values of the house advertised. Save some for actual showing.

— When yet get a referred client, find out what they have in mind. It is fairly easy to communicate with a referred client, but you should never fail to service this type.

— In the process of qualifying a client, you should follow a sensible pattern. Simply taking them out on a cook's tour won't necessarily get results. It is time wasting and expensive. Asking leading questions will give you a better working knowledge of the problem. Once you have correlated this information your task is lighter, more productive.

— Having gathered sufficient information from your client, take him to see three or four properties. One of these should fall into his desires.

— In showing, make an appointment with the vendor well in advance. Both vendor and purchaser will respect you for your thoughtfulness.

— Plan the way and manner in which you intend to present the home. If the need is of paramount importance, show the best home first. If price is the sole object, show the best house last.

— Get to know your area's history. This is very important.

— Deal with the client as an individual rather than as a prospect. You will get more favourable reaction this way.

Continued on page 13

— SEE RESIDENTIAL PANEL



RICHARD A. SALOMON

Mr. Salomon majored in Real Estate at Syracuse University, N.Y. and then became associated with his father who specializes in chain store real estate in New York City. He later swung over to the firm of Maxwell Cummings & Sons for four years as a Consultant and Developer. Since then and before arriving in Canada in 1955, he gained further experience with numerous other centres in the U.S.A. during which time he co-authored a book on Percentages Leases.

His activities in Canada include, leasing consultant for the Rockland Centre in Montreal; developing the St. Jerome Shopping Centre and La Canardiere in Quebec City.

He is also consultant for Webb & Knapp Canada Ltd., and participated in the Wellington Sq. centre in London and is now engaged in Canada's largest — the Yorkville Shopping Plaza in Toronto's North York.

a developer's view of shopping centres

The \$11 million 40-store Wellington Square Shopping centre in London, Ontario is a Webb & Knapp (Canada) Ltd. project constructed by Industrial Leaseholds Construction Ltd. The enclosed mall is air-conditioned and heated.



For the purpose of this discussion I am going to confine most of my attention to the actual leasing of the Shopping Centre; however, I will also refer briefly to other aspects of Shopping Centres including construction, financing and promotion.

The owner commences his leasing program by attempting to work out deals with key tenants.

In the case of the Local Shopping Centre of from 5 to 15 stores, the key tenant is the Supermarket. In the Sectional Centre of from 20 to 40 stores the key tenants are the Variety Store, Supermarket and the Junior Department Store. In the Regional

Shopping Centre of from 40 to 80 stores, the key tenant is the Department Store. This important tenant is usually quite instrumental in assisting the owner to formulate various policies in connection with the Shopping Centre, including the physical plan of the Centre and the selection of tenants. The Department Store is generally the most active tenant in this regard.

I would like to explain some of the characteristics of each of the above tenants:

The Supermarket's role as the key traffic generator usually decreases as the size of the centre increases. How-

ever, since most Shopping Centres are located in the heart of densely populated areas, even in Regional shopping Centres the Supermarket is quite important. The size of the store naturally depends upon the economic studies of the area but I would say that the minimum size store would be 15,000 square feet to a maximum size of 40,000 square feet.

The rental they pay varies from \$1.50 per square foot to \$2.50 per square foot in larger Centres for complete turnkey jobs. This generally includes air-conditioning, electrical outlets, terrazzo flooring and plumbing. Incidentally, a turnkey job means

that all the tenant has to do to open for business is to turn the key and install his store fixtures. There are many variations of turnkey jobs.

The percentage which the Supermarkets pay varies from 1% to 1½% of gross sales; however, in view of the fact that the tendency is for them to sell more and more non-food items on which they receive a higher mark-up than from food items, and on which items the owner receives from 5 to 6% from other stores, I feel that the percentage which they pay for non-food items should be increased or else they should be excluded from selling non-food items.

Parcel pick-up facilities should be provided so that customers can shop in other stores with a minimum amount of inconvenience after they have been to the supermarket.

The Variety Store is considered to be a store like Woolworth or Kresge's as contrasted with a Junior Department Store which is considered to be a store like Zeller's or Greenberg's. The trend is for Variety Stores to devote a greater proportion of selling space to soft goods, and in the not-too-distant future I think that they will be quite similar to Junior Department Stores.

CAUTION NEEDED

The developer can harm himself a great deal by allocating too much space to Variety Stores and Junior Department Stores when the trading area cannot support them. They usually require a minimum area of 12,000 square feet to a maximum area of 30,000 square feet.

The rental which they pay varies from \$1.35 a square foot in smaller Centres to, in rare instances, \$2.50 per square foot in Regional Centres. They are usually given turnkey jobs including air-conditioning, and the Variety Store percentage starts at 5% up to the maximum at which time it decreases to 4%, and the Junior Department Store percentage usually starts at 4% and decreases to 3%.

In Regional Centres with high land cost, good soil conditions, and a shortage of parking space, it is sometimes wise to lease space to only one store of this type and then you should make it mandatory for them to sell in the basement as the cost of erecting the basement is low and sales productivity per square foot can be high.

Department Stores broaden the trading area of the Centre tremendously; however, the owner often pays a penalty for leasing space to the Department Store as they generally only

pay somewhere in the vicinity of \$1.50 per square foot, and because of the high construction cost, a rental of approximately \$2.00 per square foot is required in order to break even. Therefore, you must make up the deficit which has been incurred by concluding profitable leases at high rentals with other tenants. Where there is only one Department Store in the Shopping Centre, I think that it should be located in the middle of the Shopping Centre. Where there are two Department Stores, they should be located at the extremities.

(Some Departmental stores resist the inclusion of a percentage clause, however, when a percentage clause is included in the lease they pay between 2½ and 3%.)

* * *

A Department Store cannot tap the trading area properly unless it has a sufficient amount of space to carry a large assortment of merchandise in great depth. In a truly regional centre I feel that the Department Store should occupy a minimum of 150,000 square feet of space with provision for expansion. Incidentally, they are usually given turnkey jobs including air-conditioning, elevator where required, etc. My own feeling is that where possible, a developer should sell the land in the Centre to the Department Store and permit them to build for themselves provided the Department Store is properly located in the Shopping Centre.

* * *

The storage area for key tenants comprises approximately 20 to 30% of the Sales area. The space is usually unfinished and the rental is often based on the rate of \$1.00 per square foot or less. However, in view of the fact that rental rates have been rising, all the stores have been trying to tighten up their operations. For example, years ago variety stores required one square foot of storage area for each square foot of selling area — so that less and less storage area is required and a greater amount of merchandise is being displayed in the sales area.

* * *

Most developers and brokers, in their eagerness to conclude leases with "key" tenants, do not completely agree on construction details or know the costs before leases are signed. This is a great mistake. I believe that plans and specifications should be completely agreed upon and approved before the lease is signed. If any changes are made after that time, the party necessitating the changes should pay for the changes.

After your "key" tenant has signed, you then commence negotiating with men's wear, women's wear, shoe chains and other national tenants. They are usually provided fronts to their reasonable specifications and are sometimes given electrical outlets and floor covering. Shoe chains, men's wear chains and women's wear chains generally occupy from 2,000 to 2,500 square feet of space. They pay from \$2.50 per square foot in smaller centres to approximately \$4.00 per square foot in Regional Centres. The best known Triple A-1 Women's Lingerie tenants pay \$2.00 per square foot in smaller centres to somewhere in the vicinity of \$3.00 per square foot in Regional Centres, and they occupy from 3,000 to 5,000 square feet of space. Banks generally occupy from 2,000 to 2,500 square feet of space and pay from \$3.50 to over \$6.00 per square foot.

Incidentally, a few extremely large, enclosed-Mall Regional Shopping Centres are being planned. Because of the high construction costs, rental rates for all stores in this type of centre will be substantially higher than those mentioned above; however, this type of Centre is especially suitable for most of Canada as the covered Mall provides year round protection from the elements. They're heated and air-conditioned, and if treated properly architecturally, can be a most desirable place in which to shop. One of the most beautiful closed-Mall Centres in North America opened last month in London, Ontario. I'd advise those of you who can, to inspect it, as this type of centre will in my opinion create great impact on the Shopping Centre industry. I feel that increased volume will more than offset the higher rentals.

* * *

During the course of negotiations with prospective tenants, you should explain some of the clauses which are contained in your lease to them. Inform them of the fact that they must pay an additional charge of approximately 15¢ per square foot for parking area maintenance and 12¢ per square foot for heating.

Some tenants, especially the variety and junior department stores, will resist the inclusion of the Tax Increase Clause, Parking Area Maintenance Clause and the Merchants Association Clause more than most other tenants. With the exception of the "key" tenants, I've found that Offer to Lease Forms are the most effective method for the rapid conclusion of deals.

Continued on page 25

A CASE FOR THE "COURT"

by C. R. OSLER, B.A.

Mr. Osler took his B.A. at the University of Toronto, later graduating from Osgoode Hall. He now specializes in Corporate Law. During World War II he served overseas for six years, retiring with the rank of Major.

Undoubtedly some readers will have seen during the summer months the C.B.C. television programme series "A Case for the Court" and in particular the "case" in which the "Court" found a vendor liable to pay commission on the sale price of his property, even though the sale was not completed through no fault of his.

"Evidence" was of course staged to evoke the sympathy of the viewing audience for the unfortunate vendor — who finds himself legally bound to pay a commission to the agent for the sale of his house — even though it is not sold and he is faced with the payment of a further commission when it is eventually sold.

* * *

Real estate men, with whom I have discussed this case, were naturally upset with the unfavourable light in which the agent was cast, and this led me to consider certain aspects of the real estate agent's position with his principal and his right to a commission.

Our modern society has for some time been engaged in attempting to devise means of preventing the general public from entering into relationships which they may later regret. There are many examples of legislation on the statute books whose object is to ensure, to the greatest possible extent, that people do not incur commitments which later they find to be other than as at first believed.

* * *

Although the best known examples of this type of legislation are probably the "blue sky laws" of the various jurisdictions, this type of legislation is also present in the statutes governing the real estate business. There are many sections in the applicable Acts of the Provinces which deal with the conduct required of real estate brokers and salesmen — but, the striking examples are those sections, such as Section 39 of *The Real Estate and Business Brokers Act of Ontario*, which prohibit the bringing of an action for the payment of a commission, unless one of the express conditions set forth in the section — such as an agreement in writing with the person charged with the commission — is satisfied.

Prior to this legislation, the early law reports contain many cases relating to claims by agents for commissions on the sale of real estate. Generally speaking, the tests used to determine the validity of the claims favoured the agent as against the principal — for there was applied to this agency relationship the general law affecting principal and agent. A mere introduction at some time, or the casual drawing of a property to the attention of a purchaser unknown to the vendor, has made the latter liable for commission (even though) the vendor has truly believed the agent was in no way involved and, has accordingly, varied his price in the light of saving a commission. It may be, of course, that legislation of the type contained in Section 39 of the *Ontario Act* was passed because of the few who, being somewhat unscrupulous, took advantage of an ideal opportunity. Probably it was a combination of this, and the social trend referred to above — where our laws attempt to protect the "uninformed" from errors when dealing with the "informed".

* * *

In any event Section 39 and similar sections in the Acts of other Provinces are statute law. They now shift the burden upon the agent. Unscrupulous principals have undoubtedly been successful in avoiding payment of commissions to which the agent was justly entitled — by manoeuvring behind the protective screen of this legislation — but the agent cannot be called uninformed and, in proceeding with any transaction without a listing agreement or other written commitment, knows full well that he is in jeopardy of losing his commission. However, there are undoubtedly situations in which the agent *cannot insist* on the conditions necessary to protect his position without jeopardizing the contemplated sale. It is considered, at least by some real estate men, that a modification of this type of section is now required to give the real estate agent some protection from the unscrupulous principal.

* * *

What is the likelihood of obtaining any relief? At this time, difficulty would no doubt be encountered in ob-

taining any amendment, for, being against the social trend, some general public support would be required. It is doubtful if such support is available and the C.B.C. production most certainly has not helped produce it.

Unfortunately, it cannot be said that such a factual situation as depicted in that programme is wholly untrue, for such and similar cases have in fact occurred. Admittedly they are not widely publicized, for they seldom if ever, come before a court as in law there is really no argument when the contract is clear.

As this "case" turned upon the commission clause in the form of acceptance, it is interesting to consider the commission clause generally used. The clause in the Toronto Real Estate Board Agreement of Purchase and Sale form is clear. When the agent fulfils his condition, i.e., procures the offer, the commission is his, payment only being delayed to the date fixed for closing.

* * *

Setting aside any argument that the agent should be entitled to commission, whether or not the sale is completed because he has performed services in bringing the prospective purchaser to the vendor and obtaining his firm offer, the agency relationship must be examined. Agency in real estate is, after all, merely one of the special phases of general agency. In general agency the agent contracts with his principal to perform certain services and normally there is clear understanding as to the agent's compensation prior to the agent performing his services. Perhaps more important is the fact that the agent, for the most part, is dealing with business men who take care to consider the agency contract; particularly the time and conditions under which the commission will be paid. The principal in such instances, from his very training and experience, can or should be able to look after himself. The real estate agent, on the other hand, particularly in the residential field, is dealing with many people who are not familiar with commercial or business agency and, even if the principal is a business man, is dealing in a field which to the business man is strange.

I believe it is true to say that the average vendor, unless specifically advised to the contrary, has the preconceived idea that when his house is sold the agent will get a commission out of the purchase price *if, and only if*, the purchaser completes the deal and pays the purchase price. He will under no circumstances be in the position of having to pay more than one commission. His mind is on the details of the offer and, in accepting, he is thinking only of the offer *and I suggest*, gives little thought to the exact wording of the acceptance whereby he is, at the same time, contracting with the agent as to the conditions under which he agrees to pay the commission. He is shocked when later advised of his liability.

Some members of the legal profession consistently vary the acceptance to make the commission conditional upon closing and this some agents find — most objectionable. Although it leads one to wonder if these same agents have explained clearly to the vendor his exact liability under this clause, as printed, before the acceptance is signed. I am satisfied that it

is probably only the few who take advantage of the situation. Be that as it may, the few can bring condemnation on all. This clause unmodified probably appears in a very high percentage of agreements and it only needs a few unhappy principals to produce bad publicity.

The position then is that the agents produce, and use, a commission clause which unmodified is susceptible to abuse and, at the very least, capable of being misunderstood by the vendor. The very fact that organized real estate approves a commission clause, must place some responsibility on it, if and when the clause is misused by agents, whether through inadvertence or otherwise. Although it is by no means fair to consider the real estate agent in "A Case for the Court" as typical of real estate agents, there is the opportunity for an agent to take the position depicted in that programme.

It should also be noted that the amendments made by lawyers to the commission clause can lead to abuse by the principal. Thus, if real estate

agents generally do not expect commissions on this type of abortive sale, then surely it would be in their interests to devise and adopt a commission clause which would reflect the true intent.

At the very least, the possibility of an agent being able to take advantage of an official printed clause — to the detriment of all agents — through adverse publicity, would be narrowed and, the agent might avoid some of the drastic amendments to which he is loath to object, for fear of upsetting a deal.

Consider also the trend of protective legislation. Is not the situation with respect to the commission clause somewhat akin to that existing before the enactment of sections such as Section 39 of the Ontario Act? A commission clause which would put the parties in relative balance would not only forestall any move towards protective legislation but also, by removing a source of unfortunate publicity, remove a possible obstacle to obtaining some relief for the agent from present onerous legislation.

LETTERS TO THE EDITOR

Dear Sir:

Please accept the thanks of this association for your editorial "Builders Not to Blame . . ." in the current (October) Canadian Realtor.

Seldom have we read an article which so realistically analysed the situation in regard to housing design and construction.

It is appreciated.

Yours sincerely,

W. G. Clements, *Secretary-Manager*
TORONTO METROPOLITAN
HOME BUILDERS' ASSOCIATION

Dear Sir:

Thank you for your cheque of \$25.00 awarded me for second prize in the Canadian Realtor "My Most Successful Sale" contest.

I take pleasure in donating this \$25.00 towards a Real Estate Scholarship of your choice.

With best wishes for your continued success, I remain

Sincerely,

Robert Eklove,
Robert Eklove Real Estate Corp.,
400 Ontario St. West, Montreal.

ED'S REPLY: We sincerely thank Mr. Robert Eklove for his generous donation. We have forwarded his \$25.00 to Professor Phillip H. White, Faculty of Commerce, University of British Columbia, with instructions that it be used to aid any deserving student taking a degree course and majoring in real estate.

DEAR READERS:

As 1960 closes the door on another exciting decade and our desk calendars warn that another is just a few days away, we usually pause and take a few idle moments for contemplation. Business pressures have slackened momentarily giving us time to meditate . . . to nibble at our memories . . . to recall little pleasantries that have happened; lucrative deals we have made.

We make a mental note to phone our acquaintances to wish them a good holiday. We read our mail and cards and feel pleased that someone has remembered us.

Nostalgic memories take our minds back to last January First . . . another year lived . . . another 12 months that were far more kind than we imagined . . . another 52 weeks that brought most of us far more pleasure than pain.

To the optimists, god bless 'em — we are soon to enter another decade — which they have firmly labelled "The Soaring Sixties". These next ten years cannot possibly be more turbulent, more exciting, more troublesome than the last. The coming 120 months should give us another long spell of good living . . . as much as we wish to partake.

May your holiday season and next ten years be plentifully endowed with all manner of good things; may you have hundreds of pleasurable instances, generously sprinkled with the elysium of health and wealth. Merry Christmas!

Your Editorial Committee,

Art Dedman
George Calladine
Harold Hare
Garth Webb





J. A. LOWDEN

President Lowden outlines -

CAREB'S PAST & FUTURE

(From his address delivered at C. A. R. E. B.'s 1960 Convention)

There are times in a man's life when he is placed in a position where he feels that the occasion demands an objective, purposeful statement. Such is my position and these are the circumstances that have brought it about.

The Canadian Association is now 17 years old, formed in 1943 primarily to combat rent control. It has grown from an organization of 16 boards and 600 members to a point where it now encompasses some 68 boards and over 13,000 members scattered throughout each of Canada's 10 provinces.

During this period of tremendous growth, CAREB has been beset by all of the problems that are associated with the birth, childhood, and adolescence of any living organism. The problems of the day absorbed almost its entire energies. Of necessity, decisions had to be confined to the immediate, with limited thought directed to long-range planning and objectives.

But times have changed; CAREB has now matured to a point where this manner of operation is no longer adequate for our organization. The time has now arrived when we must do some objective, long range visionary planning — planning to meet the challenging problem of the 1960's; planning to be the guide for CAREB's operation throughout the next decade.

It is perhaps unique when we consider that the Association's growth pattern has coincided with the beginning of a new decade. I am not unmindful of the fact that you will have nine more presidents before one will again have the opportunity that has been given to me.

Sometimes it is helpful, when assessing the present and projecting the future, to cast back into the events of the recent past. Often in retrospect they take on a greater significance or a different meaning than at the time of their occurrence. To examine them in a detached manner may assist us in placing the current situation in its

proper perspective. If this be so, let us review the decade that has just been completed. This 10 year period will probably be noted for the efforts put forth to make the various international bodies — formed following World War II — function with the hope of achieving peace and economic progress of a worldwide scale. The United Nations and their agencies have done much to teach nations how to talk to each other, to share their scientific and technical knowledge, as well as their capital. However, we still have much to do. In spite of all the aid that has been given, the rate of economic growth in the developed nations continued to exceed that of the less developed nations, widening rather than closing the gap.

The 1950's also illustrated the fact that free enterprise economies do not appear to be able to control the business cycle. However, the swings of these cycles can be dampened and reduced in their intensity by the government in co-operation with business, labor and the farm groups.

In this same vein, it became apparent that an open and largely uncontrolled economy could not prevent price increases over the long run and, while none of us look forward to an ever-rising price structure, history suggests that this is precisely what we might expect. We have learned, however, that rampant price increase can be controlled by self-discipline and a wise government action.

I think that in the past decade we Canadians became acutely conscious of the extent of foreign ownership in our resources and our industry; with all the attendant financial and political ramifications. We also came face to face with the problem of how to maintain a strong, diversified manufacturing industry in Canada. The latter part of the 1950's disclosed a weakness in this vital segment of our economy — a weakness that we were

all subconsciously aware of, but because this weakness was hidden by unusual world wide conditions, we did little about it.

It now stands out clearly that we are a high cost producer, that we have a limited domestic market, and that we are attempting to function *without* protection against low cost competitors.

In these same 1950's we saw the greatest progress in human history made in the field of science, in medicine, in transportation, in atomic development, and in space exploration. We also saw with some shock, the creative abilities of the Western World challenged for the first time by the industrial and scientific progress of the Communist countries.

During the last 10 years, we have also witnessed the greatest surge of urbanization in Canada's history — approximately 70% of our population, or 12,500,000 people — now reside in urban areas; an increase of some 8% in the decade.

In these same 10 years, we built some 1 million housing units which was no mean feat considering that it was 1954 before we completed as many as 100,000 units in a single year. While the quantity of housing was highly satisfactory, the manner in which it was fitted into our urban environment left a lot to be desired. There must be some weakness in a society that only becomes conscious of its environment before and after a building boom but never during the actual boom period, when the environment is largely being created. We in the real estate business must take our share of the discredit for this unfortunate condition.

In the latter part of the 1950's we saw the house-building industry used by the Government as a counter-cyclical tool to bolster a sagging economy. We saw the construction of new housing encouraged with little regard for factors of supply and de-

mand, or the need for continuous operation of that industry. The results of this policy were dire indeed for the house builders.

This easy lending Government policy also helped to activate a major speculation in urban land, the results of which will be with us for some time. However, this may well be the last great urban land speculation. Due to the high price of raw land and the high cost of servicing it, the element of big profit that is needed in speculation has been largely wrung out. Only the giants who have the money, the technical know-how to initiate development and who can afford to hold over a long period will be able to deal in large acreages. Restrictions now being considered by various municipalities will also make land speculation much less attractive to the entrepreneur.

Urban renewal became a common expression in the 1950's as we began to realize that we could not afford to abandon large areas of our metropolitan centres to further deterioration and the ravages of continuous loss of utility. A start has been made in a number of our cities to redeem blighted areas, but in relation to the size of the problem, we have just barely begun.

Out of the 1950's emerged the pattern of our metropolitan areas and some inkling of the tremendous problems of municipal government, of finance, of planning that must be resolved. The great city, or the urban region, is now beginning to take shape in Canada for the first time.

And finally, the growth of organized real estate took place in the 1950's on an unparalleled scale. This signified the possibilities of the realtor acquiring a status in the business world not previously dreamed of.

I believe it most significant that in January of this year, President Eisenhower spoke to NAREB for the first time, and, that at our banquet this evening, CAREB would have been honoured by the presence of the Prime Minister of Canada — The Right Honourable John Diefenbaker. Unfortunately, serious illness in the Prime Minister's family forced a cancellation of these plans.

In any case, here is a direct acknowledgement of the growth in importance of the real estate industry on this continent.

These then have been the circumstances of the past decade as we all know them. If they have been the principal issues of the 1950's, what

can we expect in the next 10 years? Where will the decade of the 1960's lead us?

To set the background, let us consider what economic conditions we might anticipate. We have been told that in the broad international sense, we can expect continuing economic progress on the part of the developed countries and a further attempt on their part to help the less developed countries to help themselves. We can expect that economic competition between the West and the East will become more intensified.

We can expect a stepped up natural resource development on a world wide scale, with the industrial expansion of the developed countries opening up new markets for the natural resources of the less developed countries. Major obstacles to world trade will take the form of any regional economic blocs that may be created — such as the "Inner Six" and the "Outer Seven" now in operation in Europe, and the "Common Market" in Central America.

We have been told that in the North American sphere, Canada will have the special problem that will arise through the employment of the continental approach in the field of defence, development of raw materials and energy sources — while at the same time she attempts to maintain a distinctive Canadian trade and economic policy.

We can expect that the great scientific advances of the 1950's may be further exploited in the 1960's to open up new vistas of economic achievement for humanity generally.

This then may be the broad economic setting into which Canada must fit in the next decade.

Now let us look more specifically at the purely Canadian picture during this period. We have been told that we have a future — a future that is not clear except in its broad optimism.

Throughout the 1960's, Canada should experience a fairly rapid rate of economic expansion, with substantial growth in population, labor and national output. By 1970, we can expect a population of 21½ millions compared to approximately 18 millions today; a labor force of 7¼ millions compared to 6¼ million now; and a gross national product of 55 billions, up from today's 35½ billions, calculated in 1960 dollars.

However, the rate of this economic expansion will be uneven — the pace in the first half of the 1960's is expected to be slower than in the second half. This unevenness will be largely

caused by the change in pattern of natural population increase and immigration.

We are told to expect a reduced rate of family formation and population growth through the early and middle 1960's, and a substantially increased rate in the late 60's and early 70's.

Rapid population growth creates many demands, from babies' clothes to motor cars, from furniture to houses.

(ED'S NOTE: Public Works Minister Walker claims that 41% of the Canadian population is under 20 years old, which bears out Mr. Louden's statement that new family formations will increase rapidly beyond the middle sixties).

It brings an increased demand for commercial facilities and office buildings. Business becomes more buoyant and production facilities expand. Demand for public utilities will grow to keep pace with the other elements of the economy.

This then is the reasoning that makes me more optimistic about the second half of the 1960's than the first half.

Now for the immediate future. 1960 should close out with a reasonable increase in economic activity, probably better than anticipated a month or two ago, but much less than expected last January.

Now, as you recall, we had a recession in 1957-58. We are still in the upswing phase of the business cycle, which in postwar years has varied in length from 33 to 44 months. If this average is maintained, we will likely reach a peak of economic activity in 1961 and see a decline as we go into 1962. According to several economists, the recession in 1962 could be sharper and deeper than anything we have yet experienced since the end of World War II.

Some economists tell us that a recession might be underway prior to the end of 1960, and have its major impact in 1961. While there is some difference among economists as to the precise timing of the next recession, they all seem to be in fairly wide agreement that in all probabilities we are facing another recession. Such a downturn, if it occurs, is not expected to run for more than 2 years, when we should again be on the upswing — surging forward to the prosperity expected in the second half of the 1960's.

Continued next page

What about our urban areas in the 1960's? What changes can we expect to face in this field? In broad terms, we are told that the whole trend in social affairs is toward a greater urbanization and city culture. We are told that our urban areas will continue to grow and absorb almost our entire increase in population.

We can expect our urban population by 1970 to be approximately 16,200,000 and represent 75% of our total population — we can expect that urbanization of this order will devour land at the rate of 100 square miles a year — the equivalent of a metropolitan Toronto about every 5 years.

In planning and subdividing this land, we will be confronted with a changing society, one that is more mobile, more transient than ever before — one that will contain more old people — *about 10% of our population will be 65 years or over*. This same society will possess great wealth and be endowed with a vast array of physical goods.

We must accept the fact that statism is upon us and that the concept of private ownership of property is disappearing and is being replaced by the great corporation and the state.

We can expect a new device for the financing of urban development in the 1960's as existing means have shown themselves inadequate in the past few years.

We who are champions of private enterprise should exert all our efforts to ensure that whatever system is evolved, it be non-governmental.

I fully realize that the Government has virtually taken over a large segment of the housing industry, but surely, private enterprise is capable of providing the capital needed through means of its own devising, *without being necessary for it to draw the Government further into this field*.

We are told that municipal finance will be a critical issue in the 1960's, as demand for services will continue to multiply with growth and further socialization of our society. We can expect a new approach to metropolitan area real estate taxation, as well as to the taxation of individual properties. Perhaps a regional taxing authority will be required to spread the tax liabilities throughout the region, distributing the benefits to areas rather than individual municipalities.

We can expect some change in the pattern of tax assessment that will recognize the increased value of land in the older sections of our city, making it unprofitable for slum uses to

continue. This will help correct a taxation system that *undertaxes old run-down sections of our cities and so perpetuates them; and at the same time overtaxes the new adequately developed areas, adding to their difficulties in maintaining acceptable standards*.

These then are some of the things we are told will happen in the next decade. It is apparent that we are entering into a more difficult period — there is no boom on the near horizon. It is a time when we must think decisions through carefully — a time when business transactions cannot be entered into casually and when good counsel will again be at a premium.

In these circumstances I can envisage an unprecedented role for CAREB — a dignified, proper, responsible role.

I pointed out earlier that CAREB is now a grown and mature institution. We must now seek to have it recognized and established as a learned body. It needs a high professional status. To attain this level, we must acquire a standard of education throughout our entire membership that will distinguish us in our field. We must conduct our business according to a strict code of ethics and our standards of practice must equal those of the already accepted professions. And, finally, we must exhibit an interest in the well being of society; we must develop a social consciousness.

As we acquire all of these characteristics, I think the next point we need to consider are the functions that CAREB must fulfill. *What are these functions?*

First, it must secure within its federated framework — provincial legislation that at least permits a step toward its ultimate objective. In so doing, it must recognize provincial autonomy while directing these aspirations at the highest possible ideals. From that point, it must progress to a national charter that will be the umbrella over all, and that will express its national aspirations.

Secondly, it must concern itself with membership. Where will its new members come from? How will they be educated and trained? And equally important, how will it eliminate the undesirable? To perpetuate itself and be a continuing body, CAREB must constantly recruit, educate and train new members.

Thirdly, it must define its professional pursuits. The Canadian Association should project itself into the realm of governmental and non-

governmental activity of a high order. It should seek out representation on essential thinking and administrative functions of all levels of government, of crown corporations, and other non-government corporations. CAREB should let it be known that it stands not just for the selfish interests of the real estate industry but that it is prepared to make a contribution in the realm of government itself — a contribution toward the security and the well-being of society.

A fourth function concerns the daily chore and the philosophy that lies behind the individual transaction. We must make the adjustment of mind to the newer sense of property. Ownership *no longer* carries with it the absolute individual right. It is reverting to the sense of the common law of property — the guardianship concept — for the good of the most.

Our condemnation laws reflect this principle in part. It raises a moral issue — a responsibility — on the part of those involved in a transaction to consider the impact of that transaction on the social fabric. This becomes a great, broad philosophic point and it suggests that the day will arrive when a realtor would refuse to transact business that in his opinion is detrimental to the public well-being. This becomes the ultimate.

Let me summarize for you the steps that I see CAREB must take in order to attain its proper place in the next decade:

1. It must become recognized and accepted by society as an institution of a high order.
2. It must continuously secure properly trained members.
3. It must define its professional pursuits.
4. Its members must observe a high ethical practice in their daily business dealings.

Let us assume that these steps will be taken, that this goal will be reached — then the next great issue becomes the pursuit of knowledge.

Such a pursuit requires organized and directed research, inquiry, thinking, writing — the proper dissemination of technical and other material. To implement this pursuit requires the formation of an advisory board, composed of the deans of our Association; these to be supplemented by outside thinkers from other related fields. This board would act as a type of Senate, to help us think, to help us select research projects, to help us direct the affairs of our Association towards a greater social sense.

Continued on page 24

— RESIDENTIAL PANEL

Continued from page 5

— Mention pleasant factors concerning the home or district. Find out the construction of the property. Some homes are noted for their substantial construction. Know also the condition and amenities of the property, proximity to schools, shopping centres and transportation. All these things make pleasant conversation.

— When you know the faults of a property — (and a perfect home has yet to be built) you can discuss these intelligently. Exposing faults sometimes takes the rough edges off the disadvantages.

— Lead a couple to the property, rather than follow them. Wipe off your feet before entry. In rainy weather, use rubbers. Both vendor and buyer will be thoroughly impressed.

"THE OFFER FORM"

Fred Kelly

— Always make sure that you have the proper documents in your car or briefcase. Many a deal has been lost because of this neglect, especially when your office is of considerable distance from the listing and there is a danger that a customer may cool off intransit. Draw up your offer in the vendor's home . . . or in your car.

— When a buyer shows worry over the fine print of an offer, you might allay his fears by saying that it is the standard form, accepted by your board or province. In any case, you tell him that you intend to go over the small type, point by point, so that every little detail will be exposed and explained to his satisfaction.

— Ask questions that will get you a yes. The more affirmative responses you get, the more receptive the buyer's mind will become. For instance you might ask, "Which side of the street is this house on" . . . the south side isn't it?"

— Get the buyer to spell out his name while working on the offer. Get him to think positively. A direction of attention to various points in the offer sometimes accomplishes this.

"CLOSING THE SALE"

R. Brethour

— Many of you have heard the objections, "I never make a move without consulting Uncle Jim," or "I never sign without my lawyer being present," . . . "I want to sleep on it." All these questions can be answered, and sometimes defeated with the magical word "WHY?"

You might say, "Did Uncle Jim pick your wife?" "Why do you want to sleep on it . . . do your first impressions fail you?"

When you must answer the difficult statement, "I never sign unless my lawyer sees it," ask the customer the name of his lawyer. Also ask the customer "Just what is there you don't understand about this document? Its a standard document in daily use by thousands of brokers for real property transactions. What is there about it that you don't understand?"

If the customer is still reluctant, offer to get the lawyer on the phone so that your client might read the offer to him for decision.

In order to gain an offer you might say "I will put a clause in this offer which says 'This offer subject to my solicitor's approval if given within 24 hours, otherwise it will remain valid.'"



"It'll never catch on!"

JUST THE PLACE
FOR YOU!



GEORGIAN LODGE

Beautiful estate-like surroundings. Package plan for golfers includes greens fees, food and room. First tee is 150 yards from the door. Wonderful fishing — no license required. Swimming pool, TV lounge, excellent dining room. Credit cards honored.

FREE!

Write for new TRAVEL GUIDE listing fine motels from coast to coast, inspected and approved by Congress of Motor Hotels.



CANADIAN OFFICES

In response to a Canadian Realtor appeal several of our members sent in pictures of their offices. Unfortunately, due to lack of space we were unable to print all the photos sent us.



ONE OF THE MOST BEAUTIFUL EXTERIORS we've seen is depicted in the above illustration. Trend Realities Ltd., of Pointe Claire, Que. built this fine office a year ago. Building contains 11 private salesmen's offices, 5 management offices, a general office and board room which can be converted into two offices by folding mahogany doors.

Pat Harvey, of P. J. Harvey Ltd., Brantford, Ont. is shown in his excellently designed office. Two pictures at left show his board room and reception-administration office.



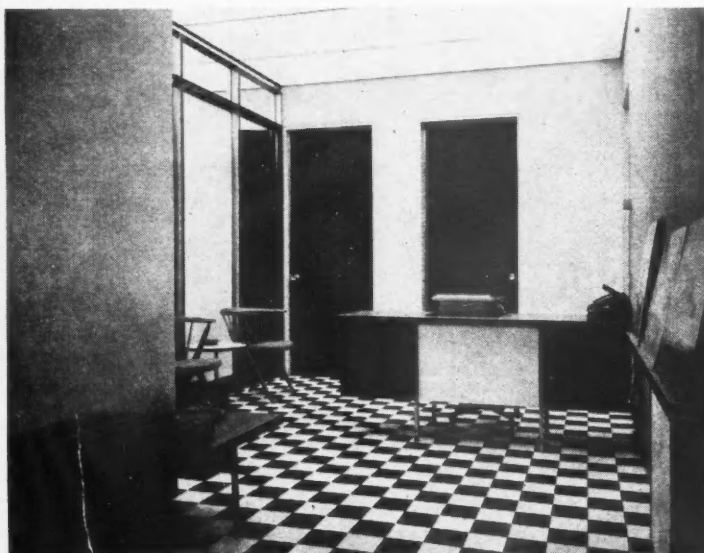


TOP LEFT: R. B. Rice and Sons Ltd., Toronto. Firm is in 54th year.

Lloyd Ellacott of Kitchener shows what an enterprising man can do to a building. Vertical wood siding and imitation stone add a modern touch. Stewart Green, Calgary has a choice location. His premises can be spotted several blocks away.

Bottom two pictures are shots of Dollard & Gallagher, Regina. (Note planter and slanted window).

Top right and two following pictures are the Statler Realties Ltd. offices in Montreal. Modern motif with Scandinavian furnishings add to the functional appeal.





PICTURES: 1-2-3 shows exterior and interior of Rhodes Real Estate Limited, 420 O'Connor St., Ottawa. Office was built in 1956. Designed for functional expression, the interior is unique in that parabolic-shaped glass was used in reception office (lower picture). Flagstonic floor incorporates muted colours into design.

PICTURES 4-5-6 illustrate the E. W. Dempster offices on O'Connor Dr. in Metro. Toronto. The building is a five-story design of blue and grey ceramic brick. Two private closing rooms of sound-proof plaster (not shown), each 10' x 8' are completely separate from all other offices, giving the optimum of quiet privacy. Mr. Dempster leases the top floor.

PICTURES 7-8-9 are Fred Dawson's Sault Ste Marie offices. All furnishings were purchased to blend into design. Shot at bottom left reveals the functional beauty of the McClocklin Real Estate offices in Saskatoon. Fine wood panelling and corrugated glass enclosures give privacy without disturbing light values.

Even a small office such as Blair Realty, in Stettler, Alta., shows what an enterprising broker can do. Blair's biggest asset is his tastefully decorated display window.



BUILDING SOCIETIES

Continued from page 3

The investor is given a card which attests that he has become a shareholder.

The shareholder commits himself to deposit say, \$25 monthly into the society.

He is given a choice of what to expect in interest returns for his money. He may say that he wishes the society to pay him 5% plus 1% bonus — (top interest payable — on his investment), or he may commit himself to receiving no interest return on his money, in which case he will probably receive a 1% bonus for its use. Building societies when loaning to a subscriber, require a 2% margin over the amount paid to the same subscriber on his deposits. The amount of interest John Doe expects to be paid for his investment, determines the amount of interest he himself will pay if he decided to borrow from his society.

Illustration: If he signs with no interest expected on his deposit, he will receive a mortgage loan from his society at 3% per annum. If he signs a commitment expecting to receive 3% plus 1% bonus on his deposit, he can expect to pay 6% interest on his mortgage loan if and when he is given one.

We might qualify the last sentence. When we say "if and when he is given a loan" we mean just that. In the formation of a new building society with little funds on hand, money invested or pooled will probably not be sufficient to give all subscribing members the opportunity to borrow.

When several shareholders each show willingness to borrow certain sums to purchase a house and there is not sufficient funds on hand to honour all bids, then the society has no other recourse but to allocate funds by ballot. Each shareholder wishing to borrow, shares an equal chance with other shareholder-members by the draw system, with the lucky one receiving his necessary funds. The other less successful members go on paying into the pool and as a consequence, keep earning interest on deposits.

• • •

To pursue this line further, we might set up a hypothetical case:

John Doe becomes a member and subscribes to a commitment of a 25% monthly deposit with only a 1% bonus return. He is expected to continue this for some 200 months (16.6 yrs). John sees a house he likes costing \$15,000. He notifies his society who inspect the property for firm value. Assuming that the property is worth \$15,000, the society advances the amount less John's deposits, and takes their security in form of a first mortgage at 3%.

John Doe, meanwhile has been depositing for say 3½ years, which means that his deposits of approximately \$1,000 will be part of the initial payment for the house. Therefore he will be subject to a \$14,000 amortized mortgage held by his society, repayable at approximately \$87.00 monthly. John must also continue paying his \$25 monthly as an investment deposit, which of course is earning him a slight interest and provides funds for other borrowers.

By gaining the society mortgage at 3%, he saved about \$4,500 over 20 years, a tidy saving in any man's language.

What are the advantages? These increase with the size and worth of the society. If it has been going for a number of years and/or it has a large reserve fund that permits a loan shortly after the borrower has become a shareholder, then he finds himself in the pleasant position of

becoming a homeowner without having to pay excessive interests, normally effected by commercial lenders.

Another advantage is offered. Although Mr. John Doe is paying his society interest on the mortgage held against his home, he is also a part of the investment team who is earning interest, however slight, on deposits.

As we have said, once the building society becomes wealthy, it can allocate funds immediately without need for ballot or draw. And too, the society can eventually lay aside funds for a reserve pool.

• • •

In Brooklyn, N.Y., in 1955, we find a situation that points up the obvious advantages of membership. Shareholder members of the Kingsview Homes Inc., were able to purchase apartment suites in a 12-storey, 48-unit building for \$67. monthly, including all services. A 3½ room unit sold at \$2200. A comparable unit sold on the open market would cost at least \$3300, with higher carrying charges.

In mid-September, President Eisenhower signed into law Public Bill-86-779 which extends to real estate investment trusts, the same federal tax treatment as that now afforded security investment trusts.

This measure was strongly advocated by N.A.R.E.B.'s Washington Committee for the last five years. The new law will encourage more investment in real estate equities, and exempts from corporate taxes, real estate investment trusts that are composed of 100 or more shareholders and who distribute 90% or more of income to beneficiaries.

At present we can expect little support and only lukewarm sympathy from Canadian governmental circles. Vested interests in chain banking or lending practices could create a formidable lobby. It would take repeated "Hammering at the door" to make federal authorities sit up and take notice of the need for public recognition of building societies and their future in the Canadian business scene.

We heartily recommend however, that intensive study be given to the operation of building societies and the part they could play in aid of our present housing doldrum.

If we provide a favourable atmosphere for these non-profit organizations, and encourage public participation on a large scale, there isn't a broker who will not benefit from these efforts.

There is a dormant desire in all of us to be part of an efficient operation . . . an entity which accepts us as a shareholder . . . an organization that takes care of us when needed.

That is the role building societies will play.

SCENE AT A LARGE COMPANY CONVENTION

The president of a large dog food company was acting as chairman at the annual get-together. Determined to find out why sales were slipping, he addressed the gathering by saying: "What Dog Food company makes the best dog food?"

Four hundred salesmen shouted: "We do!"

"What company has the best officers, salesmanagers and supervisors?"

"We have!"

"What company has the best dog-gone salesmen in the world?"

"We have!" was the 400-voice response.

"Then why is it that we aren't selling dog food?" rejoined the president.

A fellow, way back in the hall, stood up and hollered "It's the damned dogs . . . they won't eat it!"

MONTHLY CO-OP REVIEW

TWO ONTARIO BOARDS EXPAND CO-OP INFLUENCE

Plans for the establishment of a regional co-op system for Belleville, Oshawa, Peterborough and Lindsay is under discussion.

The new association is aimed at giving wider coverage for certain types of listings, by increasing listing exposure to some 250 members in the area.

These actions follow closely on the heels of the Eastern Ontario Photo co-op service, which commenced this past summer. The E.O.P.C.L.S. takes in the eastern triangle of Ontario: Cornwall, Ottawa, Kingston and Brockville.

At a general meeting of the Ottawa Real Estate Board, held in October, the new system was analysed by panel discussions, with the following persons explaining the service.

Those of the panel were: Roy Wymark, Past president of the Ottawa Board; Pieter Toxopeus, President of the Central St. Lawrence Board (Brockville); Roy Brunet, President of the Cornwall Board and Ross McMahon, President of the Kingston Board.

The panel discussions were broadcast over Ottawa radio station CFRA.

WEST VANCOUVER REALTORS TO TRY "FOR SALE" SIGN BAN

The West Vancouver Division of the Vancouver Real Estate Board will institute a voluntary ban on "For Sale" signs on resale houses within the Municipality of West Vancouver for a three-month trial period.

The restriction will not apply to new homes, empty houses, lots or commercial properties according to the division president, Paul Sowerby.

North Vancouver Division of the VREB defeated a motion calling for a similar ban in North Vancouver City and District. David Nicol, President of the North Vancouver Division, stated that his division would "watch results in West Vancouver with particular interest". He added that he anticipated members of the North Vancouver Division operating into West Vancouver would respect the sign ban.

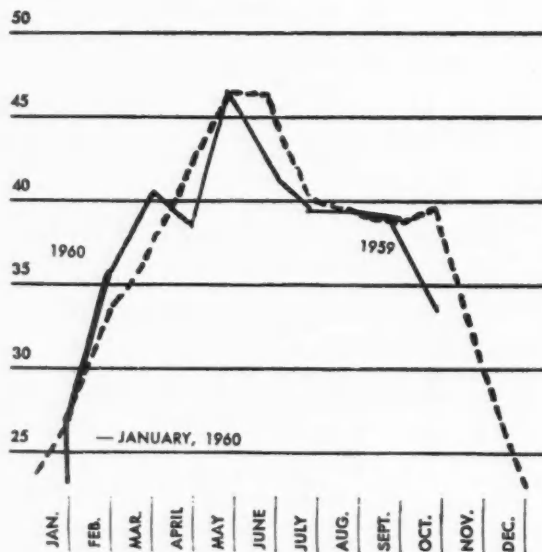
IN THE NEWS

WASHINGTON — The National Housing Centre has announced plans to launch a three-phase motivational research and advertising program aimed at stimulating the sale of an additional 250,000 new homes annually.

Plans for the program, worked out by the National Association of Home Builders, and presented at the association's annual conference in New Orleans last October, calls for a Phase I budget of \$150,000 to evaluate consumer buying habits and attitudes. This phase will take about a year to complete.

millions
of dollars

CO-OP SALES GRAPH



AUSTRALIAN SECRETARY TRAVELS THE WORLD

A visitor from "down under" popped into our editorial offices late in November. Frank Foy, General Secretary of the Real Estate and Stock Institute of Australia (equivalent to CAREB) and also General Secretary of the Real Estate and Stock Institute of Victoria, Australia (equivalent to our provincial Associations) is on a round-the-world trip which will take him to Honolulu, San Francisco, Los Angeles, Chicago, Boston, Washington, New York and London. He will also visit the office of the International Federation of Real Estate Agents in Paris. He has already attended the NAREB convention held in Dallas, Texas in November.



Purpose of the trip, says Mr. Foy, is to study the various techniques in real estate association administration throughout the world.

There are 400 members in the Council of Multiple Listing Bureau of Victoria. The Victorian Institute has 1300 members and the Australian Institute approximately 4000. These figures are broker members only and do not include sales personnel.

MONTHLY CO-OP STATISTICS FOR OCTOBER 1960

YEAR TO DATE COMPARISONS					MONTHLY COMPARISONS								
Board Position Determined by Sales-Listing Ratio Year-to-Date	GROSS SALES			LISTINGS — SALES			GROSS SALES			LISTINGS — SALES			Population in Thousands
	1960	1959	Percent L or G	Listings 1960	No. Sales 1960	% Sales to Listings	This Month	Same Month Last Year	Listings This Month	Sales This Month	% Sales to Listings		
Belleville & District	772,250	547,300	33	160	71	44	38,850	138,250	12	3	25	28	
Winnipeg	28,385,831	24,674,427	19	5,126	2,270	44	2,156,165	2,617,060	428	161	39	398	
Orillia	1,444,742	1,164,358	24	405	170	42	102,900	102,900	30	15	30	25	
Kingston	945,720	788,650	20	165	67	40	40,800	85,050	10	3	33	45	
London	13,861,533	10,552,567	32	2,742	1,063	39	1,682,805	1,112,785	272	111	44	100	
Kitchener-Waterloo	9,152,615	7,434,866	23	1,836	724	39	938,475	496,500	167	73	44	89	
Galt-Preston-Hespeler	1,484,970	1,316,846	12	337	129	38	112,400	162,100	36	10	27	50	
Brantford	3,238,220	2,657,125	22	842	310	37	296,850	246,650	63	30	48	53	
Sarnia-Lambton	2,625,691	2,221,924	18	534	192	36	345,750	256,920	55	25	45	48	
Oshawa	2,547,806	1,859,635	37	636	220	35	165,825	125,600	70	15	21	60	
Hamilton	34,883,817	38,170,907	-9	7,966	2,704	34	3,030,310	3,370,749	677	240	35	260	
Fort William	914,320	1,246,260	-27	292	101	34	128,750	150,350	15	8	53	45	
Toronto	132,991,235	138,643,836	-4	23,435	8,162	34	11,295,090	14,793,165	1,710	728	48	1,500	
Windsor	2,740,089	2,129,610	28	880	265	33	143,200	291,256	48	12	25	175	
Victoria	7,625,968	9,345,741	-18	2,346	783	33	619,170	848,774	187	72	38	187	
Central St. Lawrence	1,187,850	220,250	439	319	102	32	115,000	39,350	33	12	36	27	
Regina	4,496,181	3,148,908	42	1,144	363	31	355,250	503,900	88	31	35	100	
Guelph	1,154,300	1,043,575	10	289	95	30	162,200	103,550	40	13	33	32	
Ottawa	17,363,967	21,271,812	-18	3,113	933	30	1,240,650	1,639,982	281	63	22	250	
Barrie & District	734,775	714,675	3	201	58	29	52,600	90,700	26	4	15	20	
Saskatoon	4,254,120	4,921,209	-13	1,506	449	29	381,020	381,950	107	44	41	87	
Halifax-Dartmouth	854,000	1,352,410	-37	193	54	28	46,800	84,510	10	3	30	125	
Montreal	28,702,226	24,036,972	19	4,638	1,276	27	3,093,485	2,045,942	466	139	29	1,600	
Sault Ste. Marie	546,775	410,805	33	141	39	27	55,000	26,350	23	3	13	41	
Greater Niagara	1,169,279	1,314,868	-12	454	117	26	74,900	56,750	43	8	19	95	
Peterborough	2,088,041	2,248,799	7	642	171	26	206,500	261,800	45	16	35	45	
Chatham	393,900	244,382	61	132	34	26	—	8,750	7	—	—	30	
Oakville-Trafalgar	1,796,000	1,911,175	-6	342	85	25	125,000	132,500	24	7	29	35	
South Peel	3,397,850	3,068,646	11	735	183	25	346,800	413,900	86	21	24	45	
Calgary	17,941,653	21,056,827	15	5,340	1,298	25	1,346,901	1,899,238	454	99	22	230	
Tri-County	575,347	363,000	59	224	54	24	116,150	61,000	37	11	30	40	
Simcoe & District	619,525	75,100	724	185	46	24	13,000	—	13	1	7	25	
North Battleford	406,075	653,328	38	179	51	23	26,700	90,800	10	4	40	10	
Owen Sound	412,675	541,595	-24	195	45	23	27,600	57,500	23	3	13	17	
Central Alberta	437,116	483,938	-9	178	42	23	64,710	62,350	15	7	46	17	
St. Catharines-Niagara	2,551,411	2,377,356	7	918	205	22	229,090	216,300	74	23	31	73	
Vancouver	33,913,557	36,043,097	-6	11,919	2,575	22	2,699,983	3,630,902	1,041	203	20	650	
Okanagan-Mainline	3,431,023	1,932,570	56	1,398	303	22	315,450	240,850	120	32	27	60	
Port Arthur	459,960	441,550	4	204	45	22	41,600	—	16	3	42	42	
Lethbridge	706,456	1,031,040	-31	298	64	22	21,700	146,417	19	2	11	32	
Edmonton	9,066,939	8,482,152	7	3,648	717	20	968,320	747,810	330	75	23	284	
Sudbury	658,714	635,180	3	205	36	18	59,700	80,350	18	4	22	76	
Welland & District	550,475	714,610	-23	295	54	18	36,900	84,515	25	3	12	40	
Cornwall	372,300	334,900	11	216	36	17	20,500	24,100	15	3	20	31	
Westminster County	6,356,292	6,982,029	9	3,784	646	17	484,930	652,785	268	58	22	115	
Orangeville	63,400	214,100	-85	51	4	7	—	—	4	—	—	10	
TOTALS	388,376,989	391,024,910	-68	80,758	27,411	34	33,825,809	38,584,260	7,541	2,401	32		



Association of Real Estate Boards

B.C. Board Bulletins

KOOTENAY

CONVENTION CONTRIBUTION — The Kootenay Board has contributed \$250 to the B.C. Association towards the 1960 convention deficit.

MEETINGS — Colonel Herbert R. Fullerton, president-elect, CAREB, addressed a meeting which was heavily attended by members from both East and West Kootenays, on October 17. His subject: "Can the real estate business become a profession?"

ANNUAL MEETING of the Kootenay Board is scheduled for April at Creston, B.C.

WESTMINSTER COUNTY

APPRAISAL COURSE — Heavy registrations from Abbotsford and Chilliwack Divisions for the first "Appraisal Training Course for Salesmen and Agents" which started September 27, made it necessary to arrange a second series of the nine-week lecture course in Abbotsford, which commenced October 18.

Lecturers for the two courses are Alfred L. Penny, A.A.C.I., M.A.I., and Alan Keenleyside, A.A.C.I., M.A.I. P.Ag., who conduct a professional appraising practice in New Westminster and are well known as lecturers on the subject. The subject of Appraising for Mortgage Loans is treated by John W. Reeve, S.R.A., of Vancouver.

Expansion of the courses has made it possible to invite municipal assessors and other appropriate non-board members, with a gratifying response. Copies of the lecture material in booklet form are furnished to each registrant in the course, which was arranged by George Brown, chairman of the

Westcoreb Education and Library Committee, and his co-workers, Al Burton, Fred Rainer, C. Watson, L. Sully and J. Woodward.

VANCOUVER ISLAND

1961 BCAREB CONVENTION — The Vancouver Island Board has been busy with preliminary arrangements for the BCAREB convention in Nanaimo next May. On the social side, it is hoped that the new provincial government facilities at Newcastle Island, in Nanaimo Harbour will make possible a number of novel and entertaining marina activities.

Vancouver-Westminster County

A dual-listing arrangement for Multiple Listing is in the final planning stage between the Vancouver and Westminster County Real Estate Boards by a special inter-board liaison committee. It may come into effect January 1st if details can be worked out in time. Under the proposed scheme, listings taken in a specified area of Burnaby—served by firms affiliated with both Boards—will automatically be listed on both Westminster and Vancouver Multiple Listing Services.

A second provision of the agreement is that any listing taken elsewhere by a member of either board may, optionally, be listed on both services by payment of the normal fees to his home board and a flat fee of \$7.50 to the other board.

The Board service charge of ½% (deducted from commission on sales) will be split equally on dual listings.

The arrangement will operate for a six-month trial period if approved by both Boards.

President:
Fred M. Philips, New Westminster.

Vice-Presidents:
Charles Brown, Vancouver; P. D. P. Holmes, Victoria.

Past-President:
Mladin G. Zorkin, Nanaimo.

Directors:
Harold Chivers, Vancouver; R. E. Slinger, West Vancouver; Lynn K. Sulley, Surrey; Ronald E. Dickie, Duncan; Thomas C. Lambert, Nelson; F. B. Urquhart, Vancouver; W. Hyndman, Cloverdale; L. E. Kirk, Victoria; Syd Hodge, Penticton; John Harvey, Quesnel.

CHANGES URGED FOR HOME IMPROVEMENT LOANS

The Vancouver Real Estate Board will send a resolution both to CAREB and the Federal Government urging a change in the home improvement loan section of the National Housing Act to provide for a maximum loan of \$8,000 and a 12-year repayment period.

Present limit is \$4,000 repayable at a rate of \$21 per month per thousand dollars loan.

Purpose of the changes are twofold. First, it is felt that such a change would make it possible for a much larger number of people to undertake home renovations as a winter employment stimulus. Second factor is that it would assist in urban renewal efforts, especially in districts where land values are high and basically-sound older properties have become functionally obsolescent, thus reducing their value out of proportion to the land and reducing the municipal tax revenues below the potential rate.

The present \$4,000 limit is not sufficient to permit modernization of larger homes, according to Doug Kirk of A. E. Austin & Co. Ltd., North Vancouver, who initiated the proposal. Board vice-president John P. Roberts stressed that the repayment rate was unrealistic since most people, whose homes might need renovation or enlargement, could not afford \$84 a month additional outlay on top of their existing mortgage commitments. The suggested 12 year repayment period would reduce the payments to 1% per month, comparable with conventional mortgages.

Blane, Fullerton & White

LIMITED

Realtors, Financial Agents
Insurance Managers

Business established 1926

517 Hamilton St., Vancouver B.C.



Association of Real Estate Boards

Executive Committee:

Hugh McKeown, Ottawa, President
Ken Raven, Kingston, Vice-President
C. W. Rogers, Toronto, Past-President
H. W. Follows, Executive-Secretary
O. K. Teetzel, Secretary, 109 Merton St.,
Toronto.

Regional Directors:

Gordon Todd, Hamilton; Harold Hare, Bramp-
ton; John Bowes, Peterborough; E. B. Fleming,
Sault Ste. Marie; R. E. Sanderson, Port Credit;
Hugh Hart, Niagara Falls; A. Wiebe, Kitchener;
Ron Richardson, London; Roy Wymark, Ottawa.

WINDSOR GEARS FOR O.A.R.E.B. CONVENTION

The Windsor Chamber of Commerce applauds the city by claiming that, "Geographically, Windsor is Canada's red carpet, rolled out into the American mid-west to welcome 'through the southern gateway of Canada', some 5 million annual visitors seeking excitement in Canada's Vacationland."

The new multi-million dollar Cleary Auditorium, where the convention will be held, is more than just another piece of architecture which, when it takes on the necessary patina of age, should become a historical landmark. It is much more than that. It is a sturdy symbol of the inhabitants' faith in their community. A few years back, when Ford of Canada re-located



their operations to Oakville, there was some despair, but not for long. Spurred by this tremendous loss — a huge chunk of the city's economy — leading citizens became active in promoting the area's industrial climate.

Their work was more than equal to the task that affronted them. Within two or three years the Ford vacuum was filled. Windsor now has far more industry than ever before.

O.A.R.E.B. members who visit Windsor next February, will have an

excellent opportunity to view some of the work done by the Greater Windsor Industrial Commission, who — along with aid from members of the Chamber of Commerce, Board of Trade, City Council and other service associations — have created a series of long-range industrial expansion programmes, some now in startling evidence.

The functional beauty of the Cleary Auditorium will no doubt impress the visitor. The auditorium alone will

O.A.R.E.B. 39th ANNUAL CONVENTION — FEBRUARY 19, 20, 21, 1961 WINDSOR, ONTARIO

To: Mr. O. K. Teetzel,
Ontario Association Of Real Estate Boards,
109 Merton St., Toronto 7, Ontario.

CLIP
AND
MAIL

I plan to attend the 1961 Convention in Windsor, and enclose my cheque for \$..... to cover the registration fee. It is understood that in the event I am unable to attend, my registration fee will be refunded, providing I advise you before February 5th, 1961.

NAME.....Status.....
Broker, Salesman or Guest

ADDRESS.....City.....

I am a member of the.....Board.

Below I have indicated exactly how I wish my name to appear on my identification badge.

My name.....Wife's name.....

MAKE CHEQUES PAYABLE TO THE ONTARIO ASSOCIATION OF REAL ESTATE BOARDS.

seat over 1,000 people. There is also ample space for other convention pursuits, including receptions and entertainment.

The proximity of Detroit (just across the river) will give conventionaires and their wives an opportunity to visit the world's largest motor city. And too, you may take in many of the fine night clubs available or shop in some of the mid-west's finest departmental stores.

All delegates — brokers or salesmen — are urged to make their reservations as soon as possible. Reservations will, of course, be accepted up to February 15th, but it is much easier for your convention staff to plan, when early registry is made.

Register now, while the urge for real estate education is still upon you. This way, you are less liable to use an unimportant excuse to stay away. Write O.K. Teetzel, Secretary of O.A.R.E.B. for details. His address is 109 Merton Street, Toronto 7, Ont.

O.A.R.E.B. BRIEF PRESENTED ON EXPROPRIATION

The Select Committee on Expropriations of the Government of the Province of Ontario was recently presented with a brief prepared by the Ontario Association of Real Estate Boards.

H. P. Langer, vice-president of the Toronto Real Estate Board and Murray Bosley, President of the Canadian Institute of Realtors sub-



SOUTH PEEL EXECUTIVE AND VISITORS are shown, left to right, front row: Jack Lumley; Cliff Rogers, Toronto, past president of O.A.R.E.B.; Hugh McKeown, Ottawa, President of O.A.R.E.B.; Ron Sanderson, Reg. Dir. O.A.R.E.B.; Bill Sanagan, Toronto, President of the Toronto Board; Harold S. Hare, Brampton and T. S. H. Giles, President of the Oakville-Trafalgar Board.

Standing, left to right: Gord Hutchinson, Brampton; Keith Teetzel, secretary of the O.A.R.E.B.; Bill Follows, Executive Secretary of C.A.R.E.B.; Sheff Cassan, President of the South Peel Board and Joe Harley, President of the Brampton Board.

mitted the brief on behalf of O.A.R.E.B.

The meeting had been called to investigate methods and procedures of expropriating.

Highlights outlined were:

1. Compensation should be based on the full market value of properties expropriated. Where there is no general demand or market, compensation should be based on the cost of reinstatement in some other place.

2. Compensation should be paid for consequential loss, e.g., costs of removal, business loss and the fees for competent legal and real estate appraisal services and other necessary professional advice required to prepare and negotiate the owner's claim for compensation.

3. An entirely new tribunal should be set up to adjudicate cases. It was felt that such a body should be:

- (a) Independent of public authorities as far as possible, that is, divorced from municipal control.
- (b) Composed of real estate experts as well as legal experts; for adequate understanding of most cases, a practical knowledge of real estate was considered desirable.
- (c) Enabled to deal not only with expropriation but also other matters affecting property, e.g., assessment.

In presenting the submission, both Mr. Langer and Mr. Bosley expressed the opinion that such a body would be able to deal with cases expeditiously.

REGISTRATION FEES

FULL REGISTRATION — Brokers, Salesmen and Salesladies	\$35.00
— Wives of Brokers and Salesmen	\$20.00
Above includes all Business Sessions, all Luncheons — Receptions — Dinners — Final Banquet and all Entertainment.	
DAILY REGISTRATION	\$20.00
Includes all Business Sessions, Luncheon, Dinner, Reception and Entertainment for specified day.	

HOTEL ACCOMMODATION

Please reserve accommodation checked (✓) below:

Arrival Date			Time			a.m.		p.m.	Departure Date		
<hr/>											
		PRINCE EDWARD HOTEL					NORTON-PALMER HOTEL				
ROOM & BATH — SINGLE	<input type="checkbox"/> \$5.50	<input type="checkbox"/> \$6.50	<input type="checkbox"/> \$8.00	<input type="checkbox"/> \$8.50	<input type="checkbox"/> \$9.00	<input type="checkbox"/> \$5.00	<input type="checkbox"/> \$6.00	<input type="checkbox"/> \$7.00	<input type="checkbox"/> \$7.50	<input type="checkbox"/> \$8.50	
ROOM & BATH — DOUBLE	<input type="checkbox"/> \$8.50	<input type="checkbox"/> \$9.50	<input type="checkbox"/> \$11.00	<input type="checkbox"/> \$11.50	<input type="checkbox"/> \$12.00	<input type="checkbox"/> \$7.50	<input type="checkbox"/> \$8.50	<input type="checkbox"/> \$9.50	<input type="checkbox"/> \$10.00	<input type="checkbox"/> \$11.50	
ROOM & BATH — TWIN BEDS		<input type="checkbox"/> \$10.50	<input type="checkbox"/> \$11.50	<input type="checkbox"/> \$12.00			<input type="checkbox"/> \$10.50	<input type="checkbox"/> \$11.50	<input type="checkbox"/> \$12.00		

If no room is available at the rate requested, reservations will be made at the next available rate.



LADIES' COMMITTEE FORMED



Jean DesRosiers, President of the Montreal Real Estate Board, recently announced that the Directors had officially recognized the formation of a new Committee to be known as the Women's Committee of the Montreal Real Estate Board. In the above photo, seated left to right are: Mrs. Ruth Moss, 2nd Vice-Chairman, Mrs. Joyce Elderkin, Chairman, Mrs. Laurie Bennett, 1st Vice-Chairman. Standing, Mrs. Violet Ellis, Miss Eunice Mooney, Mrs. Doris Cattley, and Mrs. Kay Hymers. The formation of such a Committee was encouraged by the Directors after it was realized that some 200 ladies are now members of the Montreal Real Estate Board.

Quebec Boards Strive For Legislative Act

October has marked another big step by the real estate brokers of the Province of Quebec towards obtaining Legislation at Quebec on a Licensing Law designed for the protection of the public against unethical behaviour. On the 27th, the Association of Real Estate Boards of the Province of Quebec, which includes all M.R.E.B. members both active and associate, joined the Corporation of Real Estate Brokers of the Province of Quebec.

Mr. Jean DesRosiers president of the M.R.E.B. was elected President; Frank Spénard, Three Rivers, and

Jacques Filion and Gordon McAthey, Montreal, vice-presidents; C. L. Abbott, Montreal, honorary secretary, and Jacques Vézina, C.A., Quebec City, honorary treasurer.

Also elected to the Board of directors were: from Montreal—Marcel R. Audette, George E. Johnson, D. S. Keast and Alex Macaulay; from Quebec City—Kevin Davis and Georges H. Couillard; from Sherbrooke—Frank Conway; from Hull—Jacques Dussault; from Chicoutimi—Almas Brassard and from St. John, Que.—Guy Normand.

C.I.R. CHAPTER PLANNED

Another meeting of the Montreal members of the Canadian Institute of Realtors was held at the offices of the M.R.E.B. on October 24. The opinion was generally held that the local group could be of greatest service to the profession if it were organized on some definite basis. For this purpose three steps were taken:

(a) Temporary officers were elected: B. D. Baily, F.R.I., as chairman; T. B. Senez, A.R.I., vice chairman.

(b) It was decided to ask the Directors of the M.R.E.B. to establish a standing committee to be known as the "C.I.R. Committee of the M.R.E.B."

(c) A report was received from Roy Patterson, F.R.I., to the effect that he and Jim Lowden, F.R.I., had been asked by the President of the C.I.R. to serve on a committee to study the feasibility of having local Chapters of the Institute in different parts of the country.

How to make the C.I.R.'s three-year course available in the French language is a main concern of the local group. Alex Macaulay, Chairman of the Education Committee of the M.R.E.B., was present at the meeting, and he stated that while nothing could be made public just yet, there were encouraging indications that all Real Estate education might before very long be placed on a completely bilingual basis for the Montreal area. Jim Bottomley, F.R.I., who is a member of Mr. Macaulay's Committee, was designated as liaison between the two groups.

Those, who had attended the annual meeting of the C.I.R. in Toronto on October 4, brought back the good news that the Governing Council had agreed to prepare, for Quebec students, an alternative C.I.R., course on law, to be based on the Quebec Civil Code.

First Year Results of Real Estate Diploma Course at U.B.C. Announced

The Real Estate Council of British Columbia and the Faculty of Commerce and Business Administration, University of British Columbia, have released the results attained by the first group of students to complete the first year of the Three Year Diploma Course in Real Estate and Appraisal, initiated last fall by the University.

The successful students qualified to take the second year course which commenced September 14th. Another first year class commenced on September 28th. Details on the course, which is offered both by lecture at the University and by Correspondence, can be obtained from the Real Estate Council of B.C., no. 401 — 207 West Hastings Street, Vancouver.

The following standings have been obtained by students in the First Year of the Real Estate and Appraisal Diploma Course:

LAND LAW I.

1st Division (V.G.)

Whittome, J. L. (Duncan)
Hodding, D.E.

2nd Division (G)

Parker, W. C.
Stewart, J. H. (Langley)
Shank, G.
Curbishley, N. G. (Victoria)
Fraser, J. K.
Rice, C. E.
Buchanan, R. (Prince George)

3rd Division (P)

Gordon, M. J.
Harris, W. F.
Peaker, J. A.
Sinclair, W. M.
Dempsey, W. E.
Edmunds, R. A.
Markle, J. E. (Kelowna)
Wright, W. P. (Victoria)
Gale, H. L. (Abbotsford)
Mavety, G. A.
Penny, A. L. (North Surrey)
Upton, G. W.
Hargraves, D. D.
Manner, A.
McCandless, B. K.
Ness, C. P. G.
Ripley, T. A. F.
Beaumont, V.
Burton, E. H.
Radford, O. S.
Abbott, R. W. (Chilliwack)
Damm, W. E.
Harding, R. G.
Nicholls, D. H.
Drinkwater, E.
Jackson, P. G. (Victoria)
Simmons, A. J.
Tannant, M. E. (Penticton)
Goode, D. G.
Schellenberg, P. (Kelowna)

PRINCIPLES OF ECONOMICS.

1st Division (V.G.)

Hodding, D. E.
Shank, G.
Damm, W. E.
Edmunds, R. A.
Gordon, M. J.

Fraser, J. K.
Manner, A.
McKay, A. P.

2nd Division (G)

Mavety, G. A.
McCandless, B. K.
Stewart, J. H. (Langley)
Harris, W. F.
Ness, C. P. G.
Parker, W. C.
Drinkwater, E.
McDonald, I. D.
Curbishley, N. G. (Victoria)

3rd Division (P)

Dempsey, W. E.
Ripley, T. A. F.
Wright, W. P. (Victoria)
Abbott, R. W. (Chilliwack)
Hargraves, D. D.
Whittome, J. L. (Duncan)
Schellenberg, P. (Kelowna)
Penny, A. L. (North Surrey)
Harding, R. G.
Simmons, A. J.
Burton, E. H.
Finlay, U.
Buchanan, R. (Pr. George)
Goode, D. G.
Peaker, J. A.
Tannant, M. E. (Penticton)
Wilson, P. B.
Jackson, P. G. (Victoria)
Sinclair, W. M.
Gale, H. L. (Abbotsford)

PRINCIPLES OF ACCOUNTING.

1st Division (V.G.)

Curbishley, N. G. (Victoria)
McCandless, B. K.
Harding, R. G.

2nd Division (G)

Edmunds, R. A.
Manner, A.
Shank, G.
Damm, W. E.
Hargraves, D. D.
Markle, J. E. (Kelowna)
Whittome, J. L. (Duncan)

3rd Division (P)

Drinkwater, E.
Fraser, J. K.

Schellenberg, P. (Kelowna)
Buchanan, R. (Pr. George)
Hodding, D. E.
Abbott, R. W. (Chilliwack)
Mavety, G. A.
Ness, C. P. G.
Parker, W. C.
McDonald, I. D.
Peaker, J. A.
Jackson, P. G. (Victoria)
Nicholls, D. H.
Radford, O. S.
Stewart, J. H. (Langley)
Wilson, P. B.
Dempsey, W. E.
McKay, A. P.
Sinclair, W. M.
Simmons, A. J.
Tannant, M. E. (Penticton)
Wright, W. P. (Victoria)

FOUR PAST-PRESIDENTS OF VANCOUVER BOARD TO RECEIVE HONORARY MEMBERSHIPS

Directors of the Vancouver Real Estate Board voted at their November meeting to bestow Honorary Memberships on four former presidents of the Board.

Presentation of these Honorary Memberships was made at the Board's Christmas Luncheon in the Georgia Hotel, Tuesday, December 14.

The four honoured were Harry A. Roberts of H. A. Roberts Ltd., Harry E. Bond of Canada Permanent Trust Co., E. Leonard Boulton of Boulton, Sweet & Co. Ltd. and A. Rout Harvey of Loewen, Harvey & Morfitt Ltd.

LOWDEN —

Continued from page 12

For these are the things by which we will be known and judged by the community. This is the new opportunity in our evolution, perhaps even the moment in the decade.

This will not be an easy pursuit but a fresh pursuit. The issues I have raised this morning are not ones to wrangle over — rather they should form the basis for a new vitality.

So I have come here this morning, not to praise you for past performances, although they have been great, but rather to re-establish in your minds the goal we are seeking — the destiny that can be ours through an open-minded, visionary but feet-on-the-ground approach to the problems of the 1960's, supported by determination, hard work and dedication.

SHOPPING CENTRES

Continued from page 7

It is important to try to make it mandatory for all tenants to join and contribute a definite amount of money to the Merchants Association as one uncooperative tenant can cause a great deal of dissension and lessen the effectiveness of the Association. The owner usually contributes one third of the total promotional budget. I have found that the best type of promotions are those which are based upon good merchandising, with an emphasis on giving excellent values to shoppers. Carnivals, circuses and celebrities do have their place in Shopping Centre promotions, but in most instances they bring curiosity-seekers rather than customers. I look upon the Shopping Centre as a Department Store in itself, with all separate departments. It is important for the developer to try to make these various stores function as one unit in order to generate the maximum amount of sales. Proper promotion can help tremendously. Therefore, the owner should be one of the guiding lights behind the Association.

In negotiating with the tenants, the developer must naturally attempt to select the best tenant merchandise-wise for the trading area. He should make certain that the Centre is properly balanced as far as numbers and types of various stores are concerned. He should also try to have the stores occupy the proper amount of space needed to operate most efficiently and to generate the maximum amount of sales per square foot. Some tenants lease more space than they actually require because they anticipate paying the landlord excess rental. Instead of paying the excess rental they would rather occupy larger space.

When planning the location of the stores in the Centre, similar store types should be grouped together. For example, convenience goods stores such as drugs, hardware and auto supplies should be located near the supermarket, apparel tenants near the Junior Department store or Department store, and other tenants somewhere in between. In other words, stores should be placed in the Centre to capitalize on the traffic that will be generated by the "key" tenants.

After you finalize your negotiations with the national and local chains, and you have almost completed your mortgage and architectural arrange-

ments, you should then negotiate with local independent tenants, including a drug store, children's wear, shoes, sporting goods, restaurant, candy stores and service stores.

Rental rates vary for local tenants from \$2.00 in smaller Centres to \$7.00 per square foot for small space of between 400 to 700 feet in larger centres. They usually pay the most per square foot and are given the least in way of construction. They represent the developer's profit in the deal. However, it is important to remember that because of certain inherent characteristics, some businesses cannot afford to pay burdensome rentals. Hardware is one example which comes to my mind.

Other tenants will only succeed in Centres that are suited to their purposes. Furniture Stores should, in most instances, only be located in larger Centres. Even then, because they cannot generate a great deal of volume per square foot and are not an impulse item, should occupy no more than 2,500 square feet of space on the ground floor, and should be induced to utilize basement space or second floor space, for most of their selling.

From my experience, I have found that it takes approximately three years for a shopping Centre to attain its potential. The first three years can be quite difficult for small tenants. I believe that the developer should be realistic about this fact. He should assist the smaller tenants by lowering the rental during this difficult period. The loss can be more than made up by increasing the rent during the last few years of the lease when the Centre is well on its way.

Naturally, one of the most important amenities a Shopping Centre has to offer is parking. In strip Centres I have found that front parking is far more valuable than rear parking. In Mall-type Shopping Centres, if planned properly, all parking should be equally important. The accepted criteria for Shopping Centre parking is three square feet of parking area for one square foot of ground floor area. I have found that the number of cars per thousand square feet of selling area is a much more effective criteria. I feel that six to seven cars per thousand square feet of selling space is acceptable and that ten cars per thousand square feet of selling space is excellent. This figure is available because it depends on the automobile count, public transporta-

tion and immediacy of the trading area.

Methods of financing Shopping Centres vary. For example, the Rockland Shopping Centre in Montreal was financed by a Bond issue. A few other Centres are being financed in a similar way. However, in most cases Insurance Companies are the best source of mortgages. Interest rates vary. At the present time they are between $7\frac{1}{4}$ and $7\frac{1}{2}$ per cent, but I look forward to a slight decrease in the not too distant future. The accepted rule-of-thumb for mortgages at this time is that there should be a sufficient amount of income from Triple A-1 tenants to cover the interest and amortization of the mortgage as well as operating expenses.

Operating Expenses vary, but 60¢ per square foot of ground floor area including taxes, maintenance, repairs and contributions to the Merchants Association is again used as a yardstick. This means that approximately 65 per cent of the income should come from Triple A-1 tenants. Most of the Triple A-1 tenants are cognizant of this fact and they utilize it during the course of negotiations to try to secure better deals. The Leases from the "key" tenants should be for a minimum term of twenty years as, naturally, it is most desirable to secure mortgages for a term of twenty to twenty-five years.

I would like to mention the fact that the percentage lease is a vital factor in Shopping Centre economics as it is a built-in protection against inflation. Percentages vary according to the type of business, therefore a separate discussion on mark-up and percentages leases is warranted.

I have not covered this wide field as comprehensively as the subject requires. For instance, I have not mentioned night openings and financial aspects of shopping centres.

I would recommend that any reader interested in shopping centres should read everything available on this engrossing subject. And, whenever possible, sit in on panel discussions at real estate conventions.

- If you think you came into being for the purpose of taking an important part in the administration of events, to guard a province of the moral creation from ruin, and that its salvation hangs on the success of your single arm, you have wholly mistaken your business.

— Ralph Waldo Emerson

PERSON TO PERSON



Civic-Minded

... the Hamilton Real Estate Board is co-operating with the fire-prevention bureau by giving new owners and tenants fire prevention literature. The board's interest and awareness will help reduce the toll of lives and property damage claimed by fire each year ...

the legal slant

... one of Ottawa's court offices requisitioned a "Legal" typewriter from the Board of Control. Mayor Nelms asked his colleagues what a "Legal" typewriter was. Con. Paul Tardif quipped: "a legal typewriter is one with all the whereases and wherefores to confuse people" ...

legal gobbledegook

... and a legal explanation of "Quiet enjoyment" recently ran in Pierre Berton's Toronto Star column: "The covenant for quiet enjoyment is restricted to acts of the Lessor and persons claiming through him to have title paramount to the Lessor. The express agreement for quiet enjoyment means that if the Lessee is ousted by superior title he can recover by way of damages the value of his lease."

streamy problem

... down in Chicago, work suddenly came to a halt on the 24-story Jackson-LaSalle Building, while engineers ponder what to do with a large-size, underground river flowing through the property ...

distaff problems

... the magazine "National Real Estate Investor" says that a Col. R. E. Edgar deMontluzin had a few idle moments while his wife lingered in a Miami Beach beauty parlour. Mr. deMontluzin decided to visit an old friend, a real estate broker. He came out of the office only after purchasing two Collins Ave. ocean-front homes at \$250,000 each ...

pin money

... Princess Grace of Monaco, while still Grace Kelly the movie actress, was advised by her millionaire-contractor father, to invest her earnings in real estate. She bought 55 suburban Philadelphia acres for \$29,000 and recently sold them for \$302,000 ...

It's About Time!

... watch for a growing trend among Canadian U.S.-dominated unions to divorce policy-making decisions from international control. Labour public relations has ebbed to a new low and this is causing active concern within the ranks of our more mature and sober-minded union administrators. Legislation permitting innocent management to sue a union "walking out in sympathy" because of strike actions created by another union — is also expected before too long. Innocent firms now bear the time-consuming expense of these "wild-cat strikes" ...

florida promotion

... down in Fort Lauderdale, builder Norman Johnson built a home upside down as a promotion stunt. Furniture and even the car in the breezeway were topsy-turvy. Stunt brought 40,000 viewers and 63 confirmed sales ...

downtown threat

... downtown businessmen are faced with a disturbing threat if signs now evident become an established trend. Shopping centres are diversifying tenant types by encouraging professional offices, drive-in banks, theatres. In fact, one of America's largest operators of chain drive-in movie theatres has started a \$10 million diversification program by opening bowling alleys in some 15 New England shopping centres ...

huge playground

... Ontario's urban population of 4.7 millions have 3.6 million acres of parklands set aside for recreational pursuits. In another generation the urban population is predicted to advance to 6.8 millions with 5.3 million acres. We're impressed with this sensible plan which will conserve virgin areas from encroachment by commercial influences ...

CALENDAR

FEBRUARY 19th to 21st

Ontario Association of
Real Estate Boards
WINDSOR, ONT.

B. C. Assoc. Real Estate Boards
NANAIMO B.C.
May 5th & 6th, 1961

NATIONAL HOUSE BUILDERS ASSOC.
Queen Elizabeth Hotel, Montreal
January 15 - 19 1961

The **ONLY** Thing
that's Growing **FASTER**
than
ALBERTA
is ...
EDMONTON!!!

ALBERTA

Population increased 3.4% to become
the fastest growing Province in Canada
in 1959-60.

1959	1960
1,253,000	1,295,000

— Dom Govt. Bureau of Statistics

EDMONTON

Population of metropolitan city area
increased 5.4% in latest 12 month
period, more than 100 per cent in ten
years!!!

1959	1960
310,000	327,151

— Civic Census, May '60

Edmonton and Northern Alberta
Sold **EXCLUSIVELY** through Readership

of

**The Edmonton
Journal**

One of the Eight Southam Newspapers
in Canada

REAL ESTATE DIRECTORY



TOP FLIGHT REAL ESTATE CONNECTIONS FROM COAST-TO-COAST

GENERAL REAL ESTATE

- **BARRIE, ONT.**
Rogers and Connell
One Dunlop East (PA 8-5568)
- **BRANDON, MAN.**
Hughes & Co. Ltd.,
125 - 10th Street.
- **BURLINGTON, ONT**
Canada's largest town
W. D. Hitchcox
541 Brant St. NE. 4-2343
- **CALGARY, ALTA.**
Burn-Weber Agencies,
218 Seventh Ave. W.

Cote & Hunt Ltd.,
41 Hollinsworth Bldg.
- **EDMONTON, ALTA.**
Spencer & Grierson Ltd.,
10517 Jasper Avenue.

Weber Bros. Agencies Ltd.,
10013 - 101A Ave.
- **FORT WILLIAM, ONT.**
Willport Realty Limited,
Fort William - Port Arthur.
- **NANAIMO, B.C.**
December Roses on the Blue Pacific
Nanaimo Realty Co. Ltd.,
Nanaimo Realty Block.
- **OSHAWA, ONT.**
Lucas Peacock, Realtor,
556 Simcoe St. N.
- **OTTAWA, ONT.**
C. A. Fitzsimmons and Co. Ltd.
Realtors, 197 Sparks Street,
Phone CE. 6-7101.

P. Hubert McKeown,
McKeown Realities Ltd.,
169 Somerset St. W. (CE. 2-4806).
- **PETERBOROUGH, ONT.**
Irwin Sargent and Lowes,
441 Water Street.
- **QUEBEC, QUE.**
Ross Brothers & Company Limited,
P.O. Box 9 (Uppertown)
Lafontaine 2-4091
- **RED DEER, ALTA.**
Botterill McKee Cunningham Ltd.
5002 Ross Street.
Phone 2619
- **VERNON, B.C.**
Mercier & Neil Realty Ltd.,
3302 Barnard Ave.,
LInden 2-4007.
- **WINDSOR, ONT.**
U. G. Reaume Limited,
802 Canada Trust Bldg.
176 University St. West,

PROPERTY MANAGEMENT

- **HALIFAX, N.S.**
Roy Limited,
Roy Building.
- **VANCOUVER, B.C.**
Blane, Fullerton & White Ltd.,
517 Hamilton Street.

IND. SITES — PROPERTIES

- **CALGARY, ALTA.**
Cote & Hunt Ltd.,
41 Hollinsworth Bldg.
- **FORT WILLIAM, ONT.**
G. R. Duncan & Co. Ltd.,
121 May Street.
- **HALIFAX, N.S.**
Roy Limited,
Roy Building.
- **REGINA, SASK.**
W. Clarence Mahon,
350 Western Trust Bldg.
- **EDMONTON, ALTA.**
Melton Real Estate,
10154 - 103rd Street, Phone 47221.
Weber Bros. Agencies Ltd.,
10013 - 101A Ave.

EXPERT APPRAISALS

- **CALGARY, ALTA.**
Ivan C. Robison & Company,
716-Fifth St. S.W.
Phone AMherst 6-3475.
- **EDMONTON, ALTA.**
Weber Bros. Agencies Ltd.,
10013 - 101A Avenue.
- **OTTAWA, ONT.**
C. A. Fitzsimmons and Co. Ltd.,
Realtors, 197 Sparks Street,
Ottawa, Ont., Phone CE. 6-7101.
- **ST. CATHARINES, ONT.**
Andy Hawreliak, Realtor,
Dominion Building, MUtual 4-2324.
- **TORONTO, ONT.**
Chambers & Meredith Ltd.,
24 King Street West.
- **WINDSOR, ONT.**
I. W. Thrasher Real Estate,
1596 Ouellette Ave.,
Phone CL. 6-2335.

- General Real Estate
- industrial sites
and properties
- ideal store locations
- rural holdings
- appraisals
- property management

Rates for Advertising in the Real Estate Directory:

3 lines — 12 issues	\$45.00
3 lines — 6 issues	29.00

Additional lines \$1.00 per issue.
No charge for city and province lines.

PROFESSIONAL LISTINGS

Rates for Professional Listings

ONE INCH SIZE	
For six insertions	\$60.00
For twelve insertions	95.00

FOR THE BEST INFORMATION ON B.C. REAL ESTATE

Office buildings, industrial and revenue prop-
erties, homes, building lots and sub-division
developments.

Write, wire or phone
BOULTBEE SWEET & CO. LTD.
555 Howe St., Vancouver, B.C. MU. 1-7221

WE SELL THE SUN PARLOUR *specializing in*

Appraisals, Sales, Industrial

We like to co-operate — Call

I. W. THRASHER

1596 Ouellette CL. 6-2335

WESTERN CANADIAN APPRAISALS

Arthur E. Jellis, M.A.I.

ACCREDITED MEMBER:

American Institute R.E.A. and
Appraisal Institute of Canada

MELTON REAL ESTATE LTD.

Head Office, Edmonton,
10154 - 103 St., Phone GA 4-7221

Calgary, 534 - 8th Avenue West,
Phone AMherst 6-8671

Vancouver, 1701 W. Broadway
Phone RE 6-0411



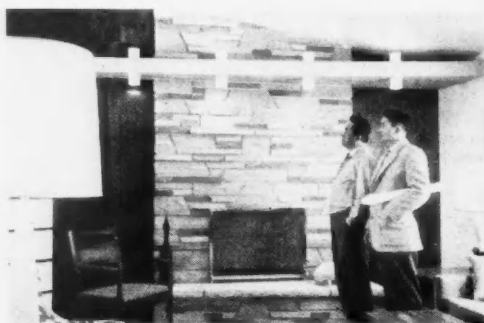
MEDALLION STANDARDS

brighten a realtor's future

Mr. Shu Suzuki, President of Suzuki Construction Company, builders of over 20 Medallion homes in London, Ontario, says—"The future looks bright for the builder who constructs to Medallion standards and the realtor who handles the sale."

Prospects are pre-sold on the investment value and modern convenience of Medallion Electric homes. They've seen and heard widespread promotion on the benefits of Planned Lighting, Appliance Conditioning and Full Housepower. When they see the Medallion on a home, they know before buying they'll get value for their money. This clinches sales faster!

All over Ontario, realtors are making profitable sales and gaining satisfied customers with Medallion homes. For information on Medallion standards and how they can help sell *your* homes, contact your local Hydro or —The Electrical Service League of 190 College Street, Toronto.



Mr. Shu Suzuki and his brother Mr. M. Suzuki inspect the lighting in a Medallion home by the Suzuki Construction Company.

(The "Light Conditioning" in this house has been entered in a Medallion Home contest.)



V
6
1
2

D
E
C

6
0

XUM